



TELECOMMUNICATIONS MARKET SNAPSHOT: VIETNAM

Key Statistics

Population	90,549,390 (July 2011 est.)
GDP	\$278.1 billion (2010 est.)
Per capita GDP	\$3,100 (2010 est.)
Main lines	17.427 million (2009)
Teledensity	19.79% (2009)
Mobile subscribers	98.224 million (2009)
Mobile penetration	111.53% (2009)
Internet users	23.382 million (2009)
Internet penetration	26.55% (2009)
Broadband subscribers	3.214 (2009)
Spending on telecom	\$39.775 billion (2010)
U.S. equipment exports to market	\$33.678 million (2010)

Sources: CIA World Factbook, ITA, ITU, and USITC

Market Overview

Since joining the WTO in 2008, Vietnam has seen major growth in the telecom market. The number of internet subscribers increased by 40% in 2010. This rise has been due to the increasing use of wireless broadband. The mobile sector in particular has become more competitive over the last few years. 3G is providing consumers with an affordable alternative for broadband as the existing fixed-line infrastructure in Vietnam is weak. In April 2010, Vietnam's Ministry of Information and Communications (MIC) announced its intention to invite proposals for a 4G frequency plan in the country. It is believed that WiMAX will be used to deploy 4G mobile broadband. Furthermore, the MIC recently granted 4G licenses to Vietnam Posts and Telecommunications Group (VNPT), Viettel, FPT Telecom, CMC and Vietnam Television, Technology, Investment and Development Company (VTC), which will allow these companies to operate LTE networks for a 12 month trial period.

Major players currently in the mobile market, include Viettel with 33.8% market share in 2009, VinaPhone with 27.2% and MobiFone with 27.2%. VinaPhone and MobiFone are currently both subsidiaries of VNPT, but the parent company has recently submitted plans to divest itself of both operators. In January 2011, the government announced that the prime minister had approved the privatization of EVN Telecom, which has less than 1% of the mobile market, by allowing the Corporation for Financing and Promoting Technology to acquire a 49% stake. While the government still has a presence in the sector, it is gradually privatizing the market.

Telecom Trade Agreements

WTO

Vietnam is a signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of info-communications technology products by January 2000.

Leading Service Providers

EVN Telecom
www.evntelecom.com.vn/

Viettel
www.viettel.com.vn/

Vietnam Posts and Telecommunications Group (VNPT)
<http://www.vnpt.com.vn/>

Contacts

Regulatory

Ministry of Information and Communications (MIC)
www.mpt.gov.vn/

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